

ORDINANCE NO. 2012 08-16

**AN ORDINANCE ESTABLISHING A BOARD OF CONTRACTOR LICENSING AND REGISTRATION FOR CONTRACTORS DOING BUSINESS IN CROWN POINT, INDIANA**

**WHEREAS**, the Director of Community Development, the Building Administrator and the Building Inspector have determined the need for regulation and licensing of contractors doing business within the City, and

**WHEREAS**, the Ordinance Committee of the Common Council has also recognized the need for such an ordinance to promote the health safety and welfare of the citizens of Crown Point and to protect property values, and

**WHEREAS**, The Ordinance Committee has recommended that this Ordinance be prepared and presented to the entire Common Council for approval

**NOW THEREFORE BE IT ORDAINED**, that the Common Council does hereby create Chapter 118 of the Crown Point Code Of Ordinances and it shall read as follows:

**CHAPTER 118: CONTRACTOR LICENSING**

Section

- 118.01 Purpose
- 118.02 Definitions
- 118.03 Board of Contractor Licensing and Registration
- 118.04 License application
- 118.05 Testing procedures
- 118.06 License and Examination Fees
- 118.07 Annual License Renewal Fees
- 118.08 Exceptions; exclusions
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- 118.10 Identification
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**§ 118.01 PURPOSE/ LICENSE REQUIRED.**

It is hereby declared to be the purpose, intent and policy of the Crown Point Common Council and the Board of Public Works and Safety of Crown Point, Indiana, that in order to safeguard the health, safety and public welfare of its citizens, the business of building construction and the persons engaged therein, as hereafter defined. No General Contractor, Specialty Contractor or Business Entity shall undertake to construct, alter, repair, move, wreck or demolish any structure or part thereof without first obtaining a license from the City of Crown Point as set forth herein.

**§ 118.02 DEFINITIONS.**

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

**BOARD.** The Board of Contractor Licensing and Registration.

**BUSINESS ENTITY.** An individual, sole proprietorship, firm, association, partnership, limited liability partnership, corporation, limited liability corporation or any form of corporate or unincorporated enterprise, owned by 2 or more persons.

**GENERAL CONTRACTOR.** Any business entity, or an individual, officer, agent, representatives of such, who for compensation undertakes to, or submits bid to, or does himself or herself, or has done by others, construction repair, alteration, remodeling, addition to, subtraction from and improvement of structure and building, and/or manages all or any of the above items, and who is responsible for all contracting within the entire project.

**DIRECTOR.** Director of Community Development for the City of Crown Point, Indiana.

**LICENSE.** A certificate issued by the City, through the Clerk-Treasurer's Office, upon payment of the following prescribed fees which confers upon the holder the privilege to perform as a contractor or subcontractor within the City of Crown Point.

**MAINTENANCE PERSON.** An individual who is employed on a permanent basis to keep the premises of a business establishment in good repair.

**REGISTRATION.** The act by which the city, through the Clerk-Treasurer's Office, confers upon a business entity the privilege to act as a plumbing, electrical, HVAC, mechanical or general contractor as herein defined, which registration shall be evidenced by a certificate of registration.

**SPECIALTY CONTRACTOR OR SUB-CONTRACTOR.** A contractor who specializes in a particular branch of the building construction industry and/or any other contractor who does contractual business in the City shall be licensed in such specialty pursuant to the terms of this chapter in the specific field in which the license is held. This shall include but not be limited to the fields of electrical, plumbing, and mechanical contractors.

(Ord. 2005-02-03, passed 2-7-05)

### **§ 118.03 BOARD OF CONTRACTOR LICENSING AND REGISTRATION.**

(A) *Generally.* One Board of Contractor Licensing and Registration is hereby created. This Board shall have general charge and responsibility of administering this chapter. The title of this Board is as follows: "City of Crown Point Board of Contractor Licensing and Registration".

(B) *Board composition.* The Board of Contractor Licensing and Registration shall consist of 7 members to be appointed as follows:

(1) The Director of Community Development of the City shall, by virtue of his or her position, serve as a voting member

(2) The Building Administrator of the City shall, by virtue of his or her position, serve as a voting member.

(3) The Crown Point Common Council shall appoint one (1) member from the Crown Point Common Council to serve on this Board and be a voting member.

(4) The Chairperson of the Crown Point Plan Commission shall by virtue of his or her position, serve as a member of the Board and be a voting member.

(5) Three citizen members, comprised of one (1) representative of the building construction industry who is a resident of Crown Point and two (2) residents within the city, shall be appointed by the Mayor and be voting members.

(6) All Board members shall be entitled to vote on all matters properly before the Board, unless the member declares a conflict of interest.

(D) Upon initial passage of this Ordinance, the (3) citizen members appointed to this Board by the Mayor shall serve the following terms:

The One (1) citizen member appointed by the Mayor who is a representative of the building construction industry shall serve a term of one (1) year;

One (1) citizen member appointed by the Mayor shall serve a term of two (2) years;

One (1) citizen members appointed by the Mayor shall serve a term of two (2) years.

(1) Appointments thereafter shall be staggered and shall be for a term of two (2) years. Each term of two (2) years shall begin January 1<sup>st</sup> and end (or expire) on December 31<sup>st</sup> of each respective member's term. Members whose term ends or expires shall continue to serve until an appointment is made to replace them.

(2) One of the seven (7) Board members shall be elected to serve as Chairman at the first meeting of each calendar year to serve as Chairman until the next election. A member can serve as Chairman for as many terms as he is elected. The Board may elect such other officers when and how it deems necessary.

*(C) Duties and policies.*

*(1) Organization and meetings.*

(a) No later than January 21 of each year, the Board shall hold an organizational meeting at which time a monthly meeting date and time shall be adopted.

(b) All meetings of the Board shall be held at the Crown Point City Hall.

(c) The Board shall be subject to all provisions of I.C. 5-14-1.5, commonly known as the Indiana Open Door Law.

(2) *Duties.* The Board shall, upon the verified complaint in writing of the City's Building Inspector setting forth specifically the alleged wrongful action or acts complained of, investigate any action or business transaction of a licensee or certificate of registration holder and shall have the power to suspend or revoke the license or certificate of registration issued under the provisions of this chapter, if after a hearing affording due process to the licensee or certificate of registration holder, it shall find the holder to have engaged in any of the following prohibited acts or conduct:

(a) Willful and deliberate disregard of the applicable construction codes and ordinances, as amended from time to time, of the City of Crown Point, State of Indiana, or any rules promulgated pursuant thereto;

(b) Aiding or abetting any unlicensed entity, or its designated agent or representative, to evade the provisions of this chapter or rules and regulations promulgated pursuant thereto;

(c) Knowingly combining or conspiring with an unlicensed or non-registered business entity or its duly authorized agent or representative with the intent to evade the provisions of the chapter or rules and regulations thereto;

(d) Acting in the capacity of a contractor under any license issued hereunder except in the name of the licensee as set forth on the issued license;

(e) Diversion of funds or property received from proceeding on or completion of a specified construction project or operation where, as a result of the diversion, the

contractor is or will be unable to complete or fulfill the terms of his or her obligations or contract;

(f) In the case of a contractor filing for protection under the Bankruptcy Code or being adjudicated a bankrupt, or the making by a contractor of an agreement with creditors, or the appointment of a receiver for the licensee's business;

(g) Paying compensation in money or other valuable consideration to any business entity or its duly authorized agent or representative other than a licensed or registered contractor for rendering services or doing any act required by this chapter to be performed by a licensed contractor holding a valid license or certificate of registration;

(h) No violation of any provisions of this chapter by an agent or employee of any licensed or registered contractor shall be grounds for the suspension or revocation of the license of the employer unless it can be shown that the employee was so with the knowledge of the contractor. For the purpose of the preceding sentence, a course of dealing shown to have been consistently followed by an employee shall constitute prima facie evidence of knowledge on the part of the employer;

(i) Any business entity or its designated agent or representative aggrieved by an action by the Board in suspending, revoking or failing to renew a license or certificate of registration may seek judicial review thereof;

(j) The record of the Board or a duly certified copy thereof shall be admissible in any proceedings at law or in equity in any court of competent jurisdiction in this or any other state in which the applicant, licensee, or certificate of registration holder charged or under investigation is a party, and where the issues involved in the proceedings are pertinent to the inquiry before the Board and the verdict or judgment of the court in any proceeding in equity shall be prima facie evidence of the facts at issue in the proceedings and necessarily adjudicated therein;

(k) The verdict in any prosecution in a court of record of this or any state in which the applicant licensee, or certificate of registration holder shall have been the defendant, shall be conclusive as to the facts charged and at issue in the prosecution;

(l) After the revocation of any license or certificate of registration, no new license or certificate of registration shall be issued to the same licensee or certificate of registration holder within a period of at least 1 year subsequent to the date of revocation;

(m) Whenever a new license or certificate of registration is issued by the Board to any business entity whose license or certificate of registration has been previously revoked, the issuance shall be treated as an initial issuance and the applicant shall be required to pay the fee, and in the case of contractors, shall be required to submit to the examination required of all other applicants;

(n) When any business entity, or a duly authorized agent or representative of such, acts as a contractor without first obtaining a license as provided herein, or any individual who continues to act as a contractor after his or her license or certificate of registration has been suspended or revoked, the Building Administrator or his or her duly appointed representative may in the name of the Crown Point Building Department bring actions in the Circuit or Superior Courts of Lake County, Indiana, for mandatory and injunctive relief in the enforcement of, and to secure compliance with any order or orders made by the Building Administrator, and any such action for mandatory injunctive relief may be jointed with an action to recover the penalties provided in this ordinance;

(o) Any person or entity violating any provision of this chapter or refusing a lawful order issued by the Building Administrator, or his or her duly appointed representative, shall be fined in a sum not less than \$500, nor more than \$2,500 plus costs. Each day of the unlawful activity shall constitute a separate offense;

(p) Any business entity or duly authorized agent or representative which fails to renew its license or certificate of registration and continues to act as a contractor after the same has expired shall be fined in accordance with the provisions set forth herein; and

(q) Any person who acts as a contractor without first obtaining a license; as provided herein, shall be fined in a sum not to exceed \$2,500 plus costs as determined by proceedings before the Crown Point Board of Contractor Licensing and Registration.

(3) *Findings of fact.* The Board shall make findings of fact regarding suspension or revocation of a license, determine fines and costs for violations and have the power to revoke a contractor's license by a majority vote of the Board.

(Ord. 97-18, § 2-2)

#### **§ 118.04 LICENSE APPLICATION.**

(A) Except as otherwise provided in this chapter, any business entity which seeks to conduct business in the city as a General Contractor or Specialty (sub) Contractor, is required to be licensed and/or registered by the City. Each business entity which satisfies all requirements of this chapter shall be issued a license and/or certificate of registration by the city, through the Clerk-Treasurer's Office.

(B) A business entity seeking to be licensed and/or registered as a General Contractor or Specialty (sub) Contractor, shall file a written application on a form to be provided by the Clerk-Treasurer's Office.

(C) The application shall be filed on behalf of the business entity and shall also contain the names and home addresses of all principals of said entity, and be signed by the individual who manages said business. Where a License is issued, authority to transact business there as a General Contractor or Specialty Contractor shall be limited to one (1) individual named in the application and the License as the License Holder. In the event the License Holder leaves the business entity, the License becomes null and void.

(D) The application shall also be signed by the individual designated as the License Holder and the authorized officer of the entity.

(E) The application shall be accompanied by 2 recent photographs of the applicant (size 1-1/2 inches x 2 inches).

(F) Upon the filing of the application, the City's Building Department in cooperation with the Crown Point Police Department may investigate (or direct the investigation by his or her staff) the information on the application and, in the event any false information has been knowingly or willfully stated, may refuse to examine, and may direct the Clerk-Treasurer to refuse to register the applicant.

(G) Except as provided in this chapter, all applicants shall pass a written examination regarding matters pertinent to the category of license requested.

(H) (1) Before a license or certificate of registration is issued by the Clerk-Treasurer to any applicant, the Board shall require the applicant to provide a copy of said unified license bond showing that he or she has obtained a unified license bond as provided in I.C. 22-11-3.1-2.

(2) This unified license bond is in lieu of any other bond for this type of work required by the City of Crown Point and the bond must be in an amount equal to \$5,000.

(3) The unified license bond shall be held for compliance with the ordinances, statutes and regulations governing business in the City of Crown Point and the State of Indiana.

(4) The unified license bond shall be filed with the Lake County Recorder.

(I) Whenever any contractor's license or certificate of registration issued under the provisions of this chapter is revoked by the Board or levied fines remain unpaid, the Clerk-Treasurer shall deliver the bond of the offending licensee to the City Attorney of the City of Crown Point, Indiana, who shall institute proceedings to forfeit the bond to the City.

(J) All licenses are for a term beginning January 1 and ending December 31 of the same calendar year. A license issued by the City of Crown Point is valid until the contractor to whom the license was issued fails to perform any work under that license for a period of 5 years in which case the license expires. However, a contractor may not perform any work under a license in a subsequent calendar year prior to payment of the annual renewal fee.

(K) If a contractor who is issued a license by this City allows his or her license to expire, he or she will be required by the City to reapply for a new license.

(L) Upon receipt of an application for renewal by an applicant, who during the preceding licensed or registered period has violated any of the provisions of this chapter or any rules promulgated by the Board, the Board shall make such investigation as it deems necessary to determine the fitness of the applicant for renewal of his or her license or certificate of registration. In the event the Board determines after the investigation that a question exists as to whether the application hereunder consideration should be renewed, they shall so advise the applicant and he or she shall, thereafter, within 30 days show cause to the Board why his or her license or certificate of registration should be renewed, they shall so notify the applicant and the applicant thereafter may seek remedies under the laws of the State of Indiana.

(M) No license or certificate of registration shall be renewed during any period a licensee or registrant is under citation by the Board for violation of any of the provisions of this chapter; however, the Board, at its discretion, may temporarily extend the, applicant's current license or registration for a period, or periods of time, not to exceed 30 days, or until the act complained of shall be heard by the Board, and during any period of appeal provided for by this chapter.

(N) The fees charged by and paid to the Clerk-Treasurer by licensees or registrants for all licenses and certificates of registrations and renewals thereof shall be as set out in the Fee Schedule. (118.06 (A) (B))

(O) All fees assessed by the Common Council shall be paid in the Clerk-Treasurer's office, City of Crown Point, Indiana, and shall be credited to the City's General Fund. All testing fees shall be credited to a (non-reverting Building fund).

(P) (1) In the event a licensee or certificate holder shall have been convicted in this State or any other State of obtaining money under false pretenses, extortion, forgery, embezzlement or criminal conspiracy to defraud, or other like offenses, and a duly certified or exemplified copy of the record in the proceeding is filed with the Board, the Board shall vote to revoke the license or certificate of registration issued to the licensee/registrant holder.

(2) In the event of the revocation or suspension of the license issued to any member of a co-partnership, association or corporation, or an employee thereof, the license issued to the other co-partner, member or members of the firm, association or corporation shall be revoked unless within the time fixed by the Board, where a co-partnership or association, the connection of the member or

employee whose license has been suspended (or revoked) shall be severed and his or her interest in the co-partnership or association, or his or her employment, thereby, in the case of an employee, be terminated, and his or her share in its activities brought to an end, or where a corporation, the offending officer or employee shall be discharged and shall have no further participation in the corporate activities.

#### **§ 118.05 TESTING PROCEDURES.**

(A) The City's Building Inspector, with input from the Board, within 10 days of the date of final passage and adoption of this chapter, shall prepare and submit a draft of a test in each of the following classifications. The test shall include the substantive areas and cover material contained in the code specified herein:

(1) General Contractor/Combination license:

(a) Based on State building codes; and

(b) Covers:

1. State building codes;
2. Management and labor requirements;
3. Safety requirements; and
4. Legal requirements.

(2) General Contractor/Residential license:

(a) Based on state's One and Two Family Building Code; and

(b) Covers:

1. One and Two Family Building Code;
2. Management and labor requirements;
3. Safety requirements; and
4. Legal requirements.

(3) Specialty (sub)contractor license/ to include but not be limited to the fields of Carpentry, Masonry, Glazing, Foundation Repair, Siding, Roofing, Drywall, Insulation, Concrete, HVAC/Mechanical, Fireplaces and Swimming Pools :

(a) Based on applicable local and state codes; and

(b) Covers:

1. State and local codes;
2. Management and labor requirements;
3. Safety requirements; and
4. Legal requirements.

(4) Electrical Contractors.

(a) Based on applicable local and state codes; and

(B) The City Building Inspector shall review and revise the draft tests as he or she deems necessary to accomplish the stated intent of the provisions of this chapter. The City's Building Inspector determination of the appropriateness of the test shall be conclusive.

(C) The test shall be administered in the City's Building Department office once a week, upon receipt of a complete application. The City's Building Inspector shall grade each test and notify the applicant in writing within 5 business days whether the test was passed. A passing grade of 76% is required. Any applicant who fails to qualify for a license as a contractor or specialty contractor shall not be eligible for re-examination for a period of 30 days. Any applicant who fails three (3) attempts in a Calendar Year shall not be eligible for re-examination for 1 year subsequent to the date of the last failure.

#### **§118.06 LICENSE AND EXAMINATION FEES**

(A) An application and processing fee of Fifty Dollars (\$50.00) and an initial examination fee of Two-Hundred Dollars (\$200.00) shall accompany an application for any contractor or specialty contractor license;

(B) If a subsequent exam is necessary because of failure of the initial exam, an examination fee of One-Hundred Dollars (\$100.00) shall be required prior to any additional examinations;

(C) A fee of One Hundred Dollars (\$100.00) shall be required for the initial issuance of a License upon taking and passing the appropriate examination if applicable.

#### **§118.07 ANNUAL LICENSE RENEWAL FEES**

There shall be a License Renewal fee of Fifty Dollars (\$50.00) and a processing fee of Twenty-Five (\$25.00) accompanying every annual License Renewal Application prior to December 31<sup>st</sup> of the current license year. Any renewal after December 31<sup>st</sup> will be charged an additional Twenty Five Dollar (\$25.00) late fee.

#### **§ 118.08 EXCEPTIONS; EXCLUSIONS.**

This chapter does not apply to the following:

(A) An authorized employee of the United States, the State of Indiana, County of Lake or any political subdivision thereof, so long as the employee does not hold himself or herself out for hire and is acting within the scope of his or her employment;

(B) Public utilities, where construction, maintenance and development work performed by their own forces and incidental to their business;

(C) The owner-occupant of single -family dwelling unit when said owner-occupant is himself or herself alone construction, installing, altering, remodeling or repairing the residential unit he or she occupies. However, this exclusion shall not be available more than once every five years when applied toward construction of a new single-family residence.

(D) Any construction, alteration, improvement or repair of improvements located on any site and project where state and federal law supersedes this chapter; and

(E) Any individual who is employed or acts as a maintenance person and provides maintenance work only at his or her place of employment.

(Ord. 2005-02-03, passed 2-7-05)

#### **§ 118.09 REGISTRATION; ENFORCEMENT.**

(A) Nothing in this chapter shall limit the power of a political subdivision to regulate the quality and the character of work performed by contractors through the enforcement of building codes and inspections.

(B) State licensed plumbers shall be required by the City of Crown Point to pay a fee as prescribed by this chapter for a Specialty Contractors license empowering the aforementioned contractors to perform work in the City of Crown Point, Indiana and said license shall only be renewed in person with verification of identification.

(C) The City's Director of Community Development, Building Administrator, Building Inspector and all Officers of the Crown Point Police Department are hereby authorized to issue citations for violations of this Code.

#### **§ 118.10 IDENTIFICATION.**



All General, Electrical, Plumbing, HVAC (Mechanical) and Specialty contractors shall have all vehicles and equipment visually marked and identified in a prominent manner with the company name and phone number.  
(ord. 2011-07-12, passed 7-5-11)

#### **§ 118.11 LEGAL PROCEEDINGS.**

During any proceeding before the Board, should any contractor or witness fail or refuse to attend a request issued by the Board or should any representative appearing, refuse to provide any information or data, the production of which is called for by the Board shall constitute grounds for the Board, by majority vote, to revoke the license.

#### **§ 118.12 INSURANCE.**

Property damage and personal injury insurance forms shall be filed with the Crown Point Clerk-Treasurer's Office by the licensed contractor. The limits for such policies are \$500,000 per occurrence with a yearly aggregate coverage of \$1,000,000.

#### **§ 118.13 RIGHT TO APPEAL.**

Any person or contractor shall have the right to appeal any order of the Board, first to the Board of Public Works and Safety and then to the Lake County Circuit Court of Indiana, in accordance with the provisions of I.C. 22-13-2-7 and I.C.4-21.5-3-7.

#### **§118.14 CONFLICTS**

All provisions of the Crown Point Code of Ordinances in conflict with the above are hereby repealed.

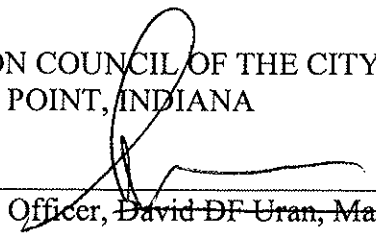
#### **§ 118.15 EFFECTIVE DATE.**

These provisions shall become effective 10 days after their final passage and adoption.

**ORDINANCE NO. 2012** 08-16

**ADOPTED** this 4<sup>th</sup> day of Sept, 2012, by a vote of 7 ayes and 0 nays.

COMMON COUNCIL OF THE CITY OF  
CROWN POINT, INDIANA

  
Presiding Officer, ~~David D.F. Uran, Mayor~~

*Andrew Kyres*

ATTEST:

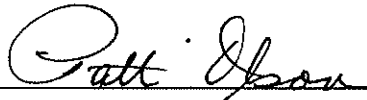


Patti Olson, Clerk-Treasurer

*Council President*

Presented by me to the ~~Mayor~~ of the City of Crown Point, Indiana, this 4<sup>th</sup> day of

September, 2012 at 7:00 P.m.



Patti Olson, Clerk-Treasurer

*Council President*

Signed and approved by me, the ~~Mayor~~ of the City of Crown Point, Indiana, this 4<sup>th</sup>

day of September, 2012 at 7:00 P.m.



~~David D.F. Uran, Mayor~~

*Andrew Kyres, Presiding Officer*